

Index

- Accounting and presentation changes 82
- Accounting policies 73-75
- Additional information for shareholders 143-156
- Auditors' remuneration 118
- Auditors' report to shareholders 72
- Balance sheets 81
- BT Deferred Bonus Plan 63, 105, 116, 117
- BT Executive Share Plan 64, 105, 114, 116
- BT Ignite 8, 14, 15, 17, 31, 35, 39, 82
- BT Incentive Share Plan 116
- BT Openworld 8, 10, 16, 31, 33, 35, 38, 82
- BT Performance Share Plan 63, 64, 105, 114, 116
- BT Rention Share Plan 116
- BT Retail 8, 10, 11, 31, 33, 34, 58, 82
- BT Wholesale 8, 10, 12, 31, 34, 38, 58, 82
- BT Wireless 1, 6, 8, 9, 12-14, 31, 33-35, 38, 44, 57, 59, 82-83
- Business practice, statement of 55
- Business review 8-25
- Call volume growth 33
- Capital expenditure 3, 29, 41, 44, 112
- Cash flow statement 80
- Cautionary statement 143
- Chairman's message 4-5
- Chief Executive's statement 6-7
- Classified directory business 35
- Commitment to society 26-27
- Community 26
- Competition and the UK economy 32
- Concert global venture 8, 10, 16, 17, 31, 34, 35, 38, 39, 45, 82, 87, 97, 111
- Contact details 156
- Contingent liabilities 112
- Corporate governance 53-56
- Creditors 52, 108
- Cross reference to Form 20-F 158-159
- Customer satisfaction 12
- Debtors 106
- Depreciation 74, 102
- Discussions with AT&T regarding Concert and BT 17
- Directors 49-51
 - Emoluments 65-67, 114
 - Interests in shares 68-70
 - Proposed for election or re-election at AGM 52
 - Remuneration, report on 62-71
 - Report 52
 - Responsibility statement 71
- Dividend investment plan 147
- Dividends 4, 31, 41, 58, 91, 126
- Earnings (loss) per share 40, 92, 139
- Economic and Monetary Union 48
- Employee share schemes 115-117
- Employees 18-19, 114
- Environment 26-27, 47, 155
- Exchange controls 154
- Exchange lines 8, 32, 34
- Executive Committee 50
- Financial calendar 155
- Financial commitments 112
- Financial headlines 3
- Financial instruments 75, 118-123
- Financial ratios 141
- Financial review 30-48
- Financial statistics 141
- Financing 40-43
- Five year financial summary 28-29
- Foreign currencies 43, 73, 119
- Gearing 42, 141
- Going concern 43
- Goodwill 3, 30, 36, 37, 39, 73, 94-100
- Glossary of terms and US equivalents 157
- Intangible assets 73, 101
- Interest 39, 43, 57, 73, 75, 90, 119
- Internal financial control and risk management 54
- Internet 1, 8, 10, 11, 14, 15, 16, 24, 26, 60
- Investments 44, 74, 104-105
- Joint ventures and associates 38, 39, 73, 74, 89, 97, 98, 99, 104, 105, 111-112, 130
- Legal proceedings 25, 112
- Licence 13, 20-25, 32
- Listings 144
- Loans and other borrowings 107-108
- Management of liquid resources 93
- Marketing and pricing 11
- Material contracts 152
- Memorandum and Articles of Association 148
- Message from Sir Iain Vallance 7
- Minority interests 91
- Mobile communications 83
- Net debt 9, 39-43, 57, 58, 100
- Other operating income 36, 87
- Operating costs 36, 88-89
- Operating profit (loss) 39
- Operational statistics and regulatory information 142
- Optical fibre 142
- Organisation 7, 9, 31, 82
- Pensions 19, 37, 46, 48, 56, 65, 67, 74, 75, 113-114
- Price control 20, 21, 22, 32
- Profit (loss) after tax 3, 40
- Profit (loss) before tax 3, 40
- Profit and loss account 76
- Provisions for liabilities and charges 108, 109
- Publications 155
- Quarterly analysis of turnover and profit 132
- Reconciliation of movement in shareholders' funds 110, 111
- Reconciliation of operating profit to operating cash flows 93
- Redundancy costs 37, 74
- Regulation, competition and prices 19-25, 32
- Research and development 17, 18, 73, 141
- Restructuring 4, 6, 7, 8, 31, 58, 82
- Return on capital employed 46, 141
- Risk factors 57-61
- Risk management 118-123
- Segmented information 82-86
- Share and ADS prices 144
- Share capital 109
- Share option schemes 115-117
- Shareholdings analysis 145
- Staff costs 36, 88
- Statement of total recognised gains and losses 79
- Stocks 74
- Strategy statement 10
- Subsidiary undertakings 73, 74, 93-95, 101, 104, 130
- Substantial shareholdings 52
- Suppliers payment policy 52
- Tangible fixed assets 74, 102, 103
- Taxation 40, 75, 90, 91, 108, 109, 125
- Taxation (US Holders) 153, 154
- Total shareholder return 63, 116, 117, 145
- Treasury policy 42
- Turnover 3, 9, 33-36, 47, 52, 73, 82, 86, 87
- Unaudited pro forma condensed combined financial statements 133-140
- US GAAP 29, 48, 124-129
- Viag Interkom 9, 10, 14, 31, 35, 37, 45, 59, 93, 94
- Yell 6, 8, 9, 15, 16, 24, 31, 32, 35, 42, 57, 82